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# GAIN Report

Global Agricultural Information Network

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## Thailand

### Rice Price - Weekly

### Weekly Rice Price Update

**Approved By:**

Orestes Vasquez,  
Agricultural Attaché

**Prepared By:**

Ponnarong Prasertsri,  
Agricultural Specialist

**Report Highlights:**

TH 0168 Domestic and export prices declined slightly by 0.2 – 0.6 percent due to the weakening Thai baht and a slowdown of enquiries for white and parboiled rice. Iranian buyers, seeking large volumes of white rice, are reluctant to place orders as prices remain volatile.

**Post:**  
Bangkok

## Market Tone

**Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Dec. 13, 2010**

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	1,015	-	1,070	-	1,050	1,090	-	1,056	1,043
WR 100 B	540	-	565	-	545	565	550	553	554
PB 100%	540	-	550	-	550	545	550	547	547
PB 5%	534	-	540	-	545	540	545	541	542
WR 5%	525	-	540	-	530	540	535	534	535
WR 10%	520	-	530	-	525	535	-	528	529
WR 15%	500	-	520	-	-	525	-	515	518
WR 25%	475	-	480	-	-	490	-	482	483
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	400	-	425	-	425	415	-	416	423
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 29.95 baht/U.S.\$

Source: Average actual prices received from exporters

Domestic and export prices declined slightly by 0.2 – 0.6 percent due to a weakening Thai baht (30.0 baht/\$, compared to 29.85 baht/\$ in the previous week) and a slowdown of enquiries for white and parboiled rice from key importers. Iranian buyers, seeking large volumes of white rice, are reluctant to place orders as prices remain volatile. In addition, exporters who are fulfilling contracts for 230,000 tons of 5% grade white rice to Indonesia (for December 2010 – January 2011 delivery) finalized their acquisitions last week by securing their rice supplies from the government's stock release that began in August 2010. So far, the government has outstanding stocks of 2-3 million tons.

The government's weekly benchmark price for white rice for December 13-19 increased by 0.6 percent. As such, farmers will receive slightly lower compensation compared to the previous week. Farmers that sell their supplies this week will attain insurance price levels as market prices and benchmark prices have converged.

**Table 2: Price Insurance Scheme for MY2009/2010 - MY2010/2011 rice crop**

	Rice paddy				
	Fragrant rice (Hom Mali)	Provincial fragrant rice	Pathum fragrant rice	Glutinous rice	White rice

1. Eligible tonnage (ton/household) <sup>a/</sup>	14	16	25	16	25
2. Insured prices (Baht/ton) <sup>a/</sup>	15,300	14,300	11,000 <sup>d/</sup>	9,500	10,000
3. Benchmark prices (Baht/ton) <sup>b/ c/</sup>					
Nov 15-21	13,995	13,419	11,666	15,992	8,687
Nov 22-28	13,627	13,195	11,763	16,239	8,732
Nov 29 - Dec 5	13,696	13,353	11,630	16,126	8,936
Dec 6 - 12	13,871	13,417	11,605	15,463	8,905
Dec 13-19	13,742	13,317	11,464	14,518	8,954
4. Compensation (1-2), (Baht/ton)					
Nov 15-21	1,305	881	-	-	1,313
Nov 22-28	1,673	1,105	-	-	1,268
Nov 29 - Dec 5	1,604	947	-	-	1,064
Dec 6 - 12	1,429	883	-	-	1,095
Dec 13-19	1,558	983	-	-	1,046
5. Market prices (Baht/ton)					
Nov. 15-21	14,000	13,500	11,700	18,000	8,900
Nov. 22-28	14,750	13,750	11,700	16,250	9,000
Nov. 29 - Dec 5	15,250	13,750	11,550	14,500	8,900
Dec 6-12	14,250	13,250	11,100	13,500	8,950
Dec 13-19 <sup>e/</sup>	14,250	13,250	10,900	14,500	8,950

Note:

<sup>a/</sup> Cabinet approval on  
Sep. 22, 2009

<sup>b/</sup> Starting March 8, 2010 the benchmark prices will be published on a weekly basis instead of twice a month on the 1st and 16th, based on average historical wholesale prices of last 15 days in Bangkok. The prices are set by the Subcommittee on Benchmark Price Determination, chaired by the Permanent Secretary General of the Ministry of Commerce.

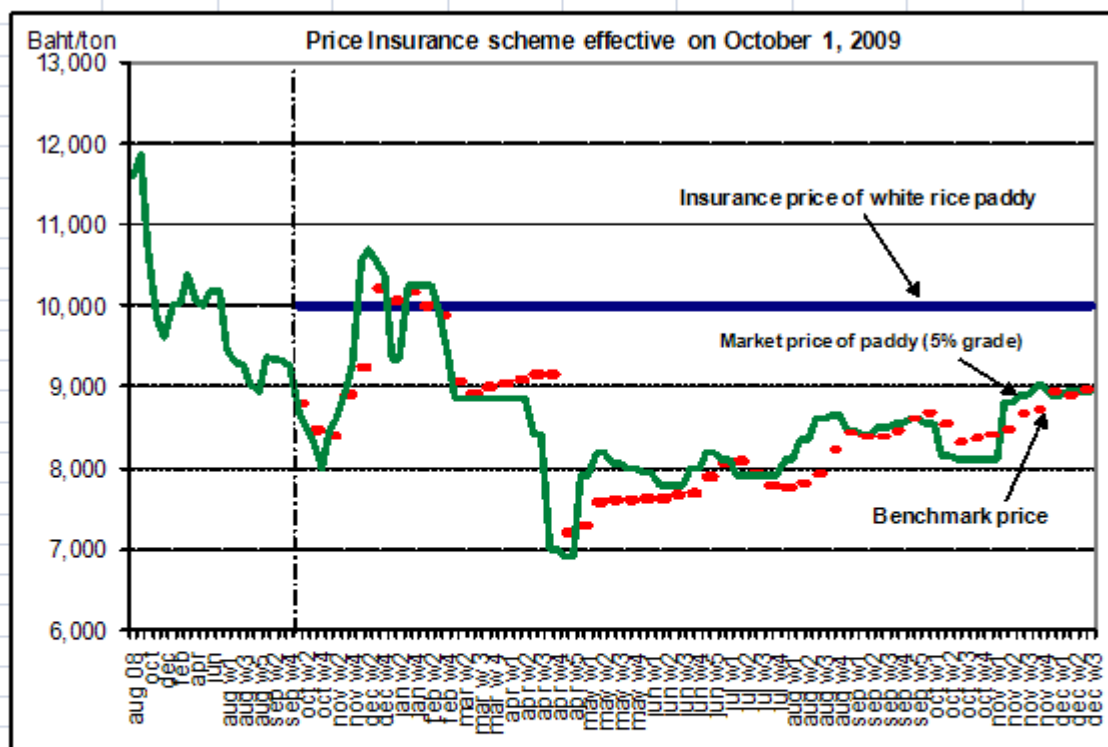
<sup>c/</sup> Starting Apr. 26, 2010 the benchmark prices will be based on average wholesales price of last week in Bangkok.

<sup>d/</sup> The insured prices of MY 2009/10 second-crop Pathum Fragrant rice were revised up from 10,000 tons/MT in MY2009/10 main-crop price insurance scheme, effective Mar. 16, 2010

<sup>e/</sup> The benchmark prices of fragrant rice and Provincial fragrant rice are for MY2010/11 crop.

<sup>17</sup> As of Dec 13, 2010

**Figure 1: Comparison of market price, insurance price, and benchmark price**



**Note:** 1/ Benchmark prices are average historical wholesale prices which will be used for the calculation of compensation to farmers. The compensation is based on the difference between insurance prices and benchmark prices.

**2/** Starting March 8, 2010 the benchmark prices will be published on a weekly basis instead of twice a month on the 1st and 16th, based on average historical wholesale prices of last 15 days in Bangkok. The prices are set by the Subcommittee on Benchmark Price Determination, chaired by the Permanent Secretary General of the Ministry of Commerce.

**3/** Starting Apr. 28, 2010 the benchmark prices will be based on average wholesale price of last week in Bangkok.

## Rice Export Update

Unofficial rice exports (excluding fragrant rice) for December 6-12, 2010 totaled 154,966 tons, up 446 tons from the previous week, and down 3,671 tons from the four-week moving average of 158,637 tons. Exports of white rice and parboiled rice during January 1 – December 12, 2010 totaled 6,120,090 tons, up 9.0 percent from 5,614,108 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – December 8, 2010 amounted to 8,212,764 tons, up 2.5 percent from 8,012,691 tons in the previous year.

**Table 3: Weekly rice exports (excluding fragrant rice)**

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
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	(MT)	(MT)	(TMT)	(TMT)	(%)
Oct 3	158,804	154,077	4,529	4,557	-0.6
Oct 10	136,566	152,164	4,666	4,666	0.0
Oct 17	150,078	152,755	4,816	4,762	1.1
Oct 24	166,295	152,936	4,982	4,905	1.6
Oct 31	175,976	157,229	5,158	5,027	2.6
Nov 7	151,009	160,340	5,309	5,121	3.7
Nov 14	176,449	167,432	5,486	5,234	4.8
Nov 21	166,973	167,602	5,653	5,345	5.8
Nov 28	158,089	163,130	5,811	5,425	7.1
Dec 5	154,521	164,008	5,965	5,500	8.5
Dec 12	154,966	158,637	6,120	5,614	9.0

*Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.*

Source: Board of Trade of Thailand

<b>Table 4: Weekly private registered rice export sales</b>			
<b>Movement (MT)</b>	<b>Nov 22-26</b>	<b>Nov 29 - Dec 3 (Revised)</b>	<b>Dec 6-10 (Preliminary)</b>
<b>Weekly sales</b>	<b>145,696</b>	<b>179,900</b>	<b>179,607</b>
<b>4 week sum</b>	<b>784,640</b>	<b>748,289</b>	<b>766,443</b>
<b>4 week mov. avg.</b>	<b>196,160</b>	<b>187,072</b>	<b>191,611</b>
<b>Year-to-date sales</b>	<b>6,661,252</b>	<b>6,841,152</b>	<b>7,020,759</b>

End of report.